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FILED IN THE  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON  
SEP - 8 2022  
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SPOKANE, WASHINGTON

11 UNITED STATES DISTRICT COURT  
12 FOR THE EASTERN DISTRICT OF WASHINGTON

13 UNITED STATES OF AMERICA,

4:22-CR-6040-MKD

14 Plaintiff,

INDICTMENT

15 v.

Vio: 18 U.S.C. § 1343  
Wire Fraud  
(Counts 1 and 2)

16 ANDREI STEPHANOVICH  
17 BORGHERIU,

18 Defendant.

18 U.S.C. § 287  
False, Fictitious, or Fraudulent  
Claims  
(Count 3)

19 18 U.S.C. § 981, 28 U.S.C. §  
20 2461  
21 Forfeiture Allegations

22 The Grand Jury charges:

23 GENERAL ALLEGATIONS

24 1. At all times relevant to this Indictment, the Defendant, ANDREI  
25 STEPHANOVICH BORGHERIU, was a resident of West Richland, Washington.  
26  
27  
28

1           2.     The Coronavirus Aid, Relief, and Economic Security Act (“CARES”  
2 Act) was a federal law enacted on March 27, 2020, designed to provide emergency  
3 financial assistance to the millions of Americans who were suffering the economic  
4 effects caused by the COVID-19 pandemic. One source of relief provided by the  
5 CARES Act was the authorization of the Economic Injury Disaster Loan (“EIDL”)  
6 program. EIDL is a Small Business Administration (“SBA”) program that provides  
7 low-interest funding to small businesses, renters, and homeowners affected by  
8 declared disasters.

9  
10           3.     In order to obtain an EIDL, a qualifying business must submit an  
11 application to the SBA and provide information about its operations, such as the  
12 number of employees, gross revenues for the 12-month period preceding the  
13 disaster, and cost of goods sold in the 12-month period preceding the disaster. In  
14 the case of EIDLs for COVID-19 relief, the 12-month period was the year preceding  
15 January 31, 2020. The applicant must also certify that all the information in the  
16 application is true and correct, and agree in the required Loan Authorization and  
17 Agreement that the EIDL funds will be used solely as working capital to alleviate  
18 economic injury caused by disaster.

19           4.     The amount of an EIDL, if the application is approved, is determined  
20 based, in part, on the information provided in the application about employment,  
21 revenue, and cost of goods, as set forth above. Any funds issued under an EIDL are  
22 issued directly by the SBA. EIDL funds shall be used as working capital, such as  
23 payroll expenses, sick leave, production costs, and ordinary business obligations,  
24 such as debts, rent, and mortgage payments. If the applicant also obtains a loan  
25 under the Paycheck Protection Program, the EIDL funds cannot be used for the same  
26 purpose as the Paycheck Protection Program funds.

27  
28           5.     EIDL applications are received in cloud-based platforms. The location  
of the server through which the EIDL application is submitted is based on the date

1 the application was processed by SBA and the application number. During the time  
2 period relevant to this Indictment, all EIDL applications and supporting documents  
3 were received in a Microsoft cloud-based platform using a Rapid Finance  
4 application, through SBA servers located in Des Moines, Iowa.

5 The Scheme

6 6. The allegations in paragraphs 1 through 5 of this Indictment are  
7 incorporated as though realleged herein.

8 7. Beginning no later than on or about June 29, 2021, and continuing  
9 through the present, in the Eastern District of Washington and elsewhere, the  
10 Defendant, ANDREI STEPHANOVICH BORGHERIU, devised and intended to  
11 devise a scheme to defraud the SBA, and to obtain money and property by means of  
12 materially false and fraudulent pretenses, representations, and promises.

13 8. Specifically, the Defendant, ANDREI STEPHANOVICH  
14 BORGHERIU, applied for and received one EIDL on behalf of his company, Artway  
15 Transport LLC, with the intent to defraud, steal, and convert the proceeds of the  
16 EIDL loan for the Defendant, ANDREI STEPHANOVICH BORGHERIU's  
17 personal use and without any intent to use the proceeds thereof for any authorized  
18 purpose.

19 Manner and Means

20 It was part of this scheme that:

21 9. On or about June 29, 2021, the Defendant, ANDREI  
22 STEPHANOVICH BORGHERIU, began the process of submitting materials to the  
23 SBA requesting EIDL funding through EIDL Application No. 3321927753, under  
24 the name of his business, Artway Transport LLC.

25 10. On or about August 9, 2021, the Defendant, ANDREI  
26 STEPHANOVICH BORGHERIU, finalized his submission of Application No.  
27 3321927753 to the SBA under the name of his business, Artway Transport LLC.  
28

1           11. On or about August 9, 2021, the Defendant, ANDREI  
2 STEPHANOVICH BORGHERIU, electronically signed a Loan Authorization and  
3 Agreement for Application No. 3321927753, agreeing that he would use the  
4 proceeds of the loan solely as working capital to alleviate economic injury.  
5 Defendant agreed to be bound by the stated terms and conditions during the term of  
6 the Loan. Defendant further certified under penalty of perjury that he was authorized  
7 to apply for and obtain a disaster loan on behalf of the Borrower in connection with  
8 the effects of the COVID-19 emergency. A properly signed Loan Authorization and  
9 Agreement is required prior to any disbursement of an EIDL loan.  
10

11           12. Pursuant to the Loan Authorization and Agreement, a third-party UCC  
12 handling charge of \$100 was to be deducted from the loan amount of \$500,000 prior  
13 to disbursement.

14           13. On August 12, 2021, as a result of the reliance on the false  
15 representations the Defendant, ANDREI STEPHANOVICH BORGHERIU, made  
16 in EIDL Loan Application No. 3321927753 and the accompanying Loan  
17 Authorization and Agreement, the SBA approved the requested EIDL.

18           14. On August 16, 2021, the SBA disbursed \$499,900 in EIDL funding to  
19 the Artway Transport LLC account at Bank of America ending in 2612. Prior to the  
20 wire transfer, the account contained about \$3,100.00.

21           15. On August 17, 2021, a realtor contacted Ticor Title to discuss the cash  
22 sale of 1710 Sunshine Avenue, West Richland, WA 99353 (hereinafter “the  
23 property”) for a sales price of \$450,000. On August 18, 2021, Ticor Title opened an  
24 order for the purchase of the property by the Defendant, ANDREI  
25 STEPHANOVICH BORGHERIU.  
26

27           16. On September 1, 2021, the Defendant, ANDREI STEPHANOVICH  
28 BORGHERIU, sent a wire transfer from the Artway Transport LLC Bank of

1 America Account ending in 2612 to Ticor Title in the amount of \$450,282.73 for  
2 purchase of the property.

3 17. On Application No. 3321927753, the Defendant, ANDREI  
4 STEPHANOVICH BORGHERIU, certified under penalty of perjury that the  
5 information in the application was true and accurate, subject to criminal penalties  
6 for knowingly making false statements. Further, in the Loan Authorization and  
7 Agreement for this EIDL loan, the Defendant, ANDREI STEPHANOVICH  
8 BORGHERIU, agreed to be bound by the terms and conditions in the agreement,  
9 including the condition that he would use all the proceeds of the EIDL solely as  
10 working capital for his company Artway Transport LLC to alleviate economic  
11 injury.  
12

13 18. The representation made by the Defendant, ANDREI  
14 STEPHANOVICH BORGHERIU, in the Loan Authorization and Agreement  
15 required for disbursement of EIDL Application No. 3321927753 that he would use  
16 the proceeds of the loan solely as working capital to alleviate economic injury was  
17 materially false, and the Defendant, ANDREI STEPHANOVICH BORGHERIU,  
18 knew it was false at the time he made this representation. Instead of using the EIDL  
19 funds for a permissible purpose, the Defendant, ANDREI STEPHANOVICH  
20 BORGHERIU, used the EIDL funds to purchase a residential property. The day  
21 after SBA distributed through interstate wire transfer the EIDL funds into Artway  
22 Transport LLC's bank account, the realtor for the purchase contacted Ticor Title in  
23 order to effect a cash purchase of the property. Further, the Defendant, ANDREI  
24 STEPHANOVICH BORGHERIU, sent through wire transfer EIDL funds from the  
25 Artway Transport LLC business account to the Ticor Title account for purchase of  
26 a private residence. Accordingly, the Defendant, ANDREI STEPHANOVICH  
27 BORGHERIU's statements and promises that he would use the EIDL proceeds  
28

solely as working capital for Artway Transport LLC were materially false and fraudulent.

Counts 1 and 2

19. The allegations in paragraphs 1 through 18 of this Indictment are incorporated as though realleged herein.

20. On or about each of the dates set forth below, in the Eastern District of Washington and elsewhere, the Defendant, ANDREI STEPHANOVICH BORGHERIU, for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

Count	Date	Description
1	August 16, 2021	Wire transfer from FMS servers in Sterling, Virginia, to Artway Transport LLC's Bank of America Account ending in 2612 in Kennewick, Washington, in the amount of \$499,900.00 for EIDL No. 1397459103.
2	September 1, 2021	Wire transfer from Artway Transport LLC's Bank of America Account ending in 2612 in Kennewick, Washington, to Ticor Title's bank account ending in 5226 with US Bank in Westminster, California.

All in violation of 18 U.S.C. § 1343.

Count 3

21. The allegations in paragraphs 1 through 20 of this Indictment are incorporated as though realleged herein.

22. On or about each of the dates set forth below, in the Eastern District of Washington and elsewhere, the Defendant, ANDREI STEPHANOVICH BORGHERIU, represented to the Small Business Administration, an agency of the United States, that the EIDL funds would be used for an authorized purpose, knowing such representation was false and fraudulent, and knowing that he planned

funds for an unauthorized purpose, described below for each count, each transmission constituting a separate count:

Count	Date	Description
3	August 9, 2021	Loan Authorization and Agreement in support of EIDL Application No. 3321927753 in the name of Artway Transport LLC for an EIDL loan of \$500,000.

All in violation of 18 U.S.C. § 287.

#### NOTICE OF FORFEITURE ALLEGATIONS

The allegations contained in this Indictment are hereby realleged and incorporated herein by this reference for the purpose of alleging forfeitures.

Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), upon conviction of an offense in violation of 18 U.S.C. § 1343, as alleged in Counts 1 and 2 of this Indictment, the Defendant, ANDREI STEPHANOVICH BORGHERIU, shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense. The property to be forfeited includes, but is not limited to, the following:

#### REAL PROPERTY

The real property known as 1710 Sunshine Avenue, West Richland, Washington, situated in Benton County, State of Washington, described as follows:

All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 1710 Sunshine Avenue, West Richland, Washington, legally described as follows:

Section 12, Township 9, Range 27, Quarter NE, Plat Subdivision, MOUNTAIN VIEW ESTATES, PHASE TWO A, Lot 1, AF#2008-026455, 9/08/2008

Parcel #: 112971030000001

MONEY JUDGMENT

A sum of money equal to \$499,900 in United States currency, representing the amount of proceeds obtained by Defendant, ANDREI STEPHANOVICH BORGHERIU, from the wire fraud violations.

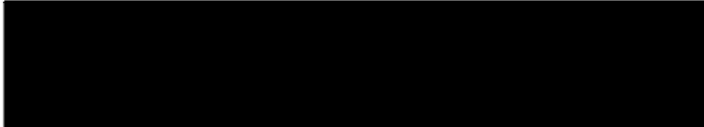
If any of the property described above, as the result of any act or omission of the Defendant:

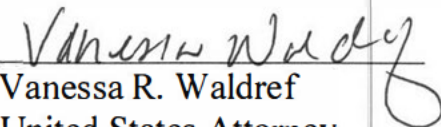
- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty,

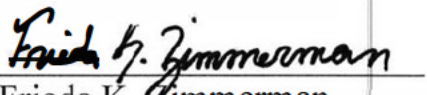
the United States shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).


DATED this 7 day of September 2022.

A TRUE BILL

  
Foreperson

  
Vanessa R. Waldref  
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Frieda K. Zimmerman  
Special Assistant United States Attorney

  
Tyler H.L. Tornabene  
Assistant United States Attorney